

VZCZCXRO7612
OO RUEHCN RUEHGH
DE RUEHIN #1788/01 3660639
ZNY CCCCC ZZH
O 310639Z DEC 08
FM AIT TAIPEI
TO RUEHC/SECSTATE WASHDC IMMEDIATE 0636
INFO RUEHBJ/AMEMBASSY BEIJING 8823
RUEHUL/AMEMBASSY SEOUL 9963
RUEHKO/AMEMBASSY TOKYO 0453
RUEHCN/AMCONSUL CHENGDU 2941
RUEHGZ/AMCONSUL GUANGZHOU 0054
RUEHHK/AMCONSUL HONG KONG 0284
RUEHGH/AMCONSUL SHANGHAI 2364
RUEHSH/AMCONSUL SHENYANG 6891
RUEHGV/USMISSION GENEVA 1879
RUEAIIA/CIA WASHDC
RHEFDIA/DIA WASHINGTON DC
RHHJJAA/JICPAC HONOLULU HI
RUEKJCS/SECDEF WASHINGTON DC
RHHMUNA/USPACOM HONOLULU HI

C O N F I D E N T I A L SECTION 01 OF 02 TAIPEI 001788

SIPDIS

E.O. 12958: DECL: 12/31/2028

TAGS: [PGOV](#) [PREL](#) [CH](#) [TW](#)

SUBJECT: FM OU ON THE "DIPLOMATIC TRUCE," WHO/WHA, AND THE
DIANE LEE CASE

REF: A. TAIPEI 0626

[1](#)B. DECEMBER 29 TC NOTE (EMAIL)

Classified By: AIT Director Stephen M. Young,
Reasons: 1.4 (b/d)

[1](#)1. (C) Summary: Taiwan's "diplomatic truce" with China over competition for diplomatic allies is holding, Foreign Minister Francisco Ou told the Director during their December 30 meeting. Taiwan's quest for greater international space is more complex because it involves sovereignty questions, and therefore Taipei needs a special channel to discuss these sensitive issues with Beijing. Although a formal mechanism for such discussions is not yet in place, Ou said he was optimistic Taiwan would be able to participate in the WHA meeting next May. Ou stressed that Taiwan has stopped "checkbook diplomacy" and now insists on full transparency in its foreign assistance projects. Ou and the Director also discussed the Diane Lee case in a one-on-one session, in which we assured the Taiwan side we would respond to her citizenship appeal before January 31, 2009. End Summary.

Diplomatic Truce: So Far, So Good

[1](#)2. (C) Foreign Minister Francisco Ou, in a December 30 meeting with the Director, maintained that Taiwan's current diplomatic relationships are stable. Beijing appears implicitly to have accepted Taiwan's proposal to end the competition for diplomatic partners, Ou said, noting that contacts have told Taipei that Beijing has brushed off attempts by certain Taiwan allies to switch relations to China. The "diplomatic truce" is simple since it depends on a political decision by both sides. Ou suggested that Beijing is holding back because it realizes that adding one more country to its list of diplomatic partners would not add to its own international status or influence but would damage cross-Straits relations.

[1](#)3. (C) Ou stressed that "checkbook diplomacy" is a thing of the past, explaining that the Foreign Ministry is no longer willing to make under-the-table payments to foreign politicians. He added that the Control Yuan now closely monitors the Foreign Ministry's use of confidential and other funds, following the scandals during the previous DPP administration, including the disappearance of USD 30 million in the botched attempt to secure Papua New Guinea's

allegiance (ref A). Taiwan now insists on transparency in providing funds for projects to allies, requiring recipients of funds to hold a public activity in the presence of the media.

Special Channel Required to Discuss International Space

¶4. (C) Ou emphasized that there needs to be a special channel with Beijing for discussions on Taiwan's international space, which cannot be handled by the Straits Exchange Foundation (SEF) and the PRC's Association for Relations Across the Taiwan Strait (ARATS). Although such a mechanism has yet to be developed, Ou remained optimistic that progress would be made on international space. In principle, PRC President Hu Jintao has good intentions to resolve this issue, but internal discussions continue as PRC officials debate the parameters of how much to concede on international space. So far, Ou noted, Taiwan representatives have not discussed such issues with PRC diplomats in third countries.

WHO/WHA

¶5. (C) Ou further explained that a special channel with Beijing is needed to discuss the details of Taiwan's international participation, because participation in international organizations involves sensitive sovereignty issues. He predicted that Taiwan may be able to participate

TAIPEI 00001788 002 OF 002

in the WHA meeting on an annual basis, observing that this would be a step forward. In principle, Beijing is quite ready to give Taiwan an opportunity and to make concessions, Ou asserted, but there are many technical details that need to be discussed between the two sides. The Chinese are very aware of Taiwan's goodwill to improve cross-Straits relations, and they know the people of Taiwan are anxious to have access to WHO. Therefore, Ou said, he believed Beijing would try to respond in some way. Ou also stressed that U.S. support on the WHO/WHA issue is very helpful.

¶6. (C) The Director observed that China has not reduced its missile or other military deployments against Taiwan despite the improvement in cross-Straits relations. Ou suggested that Beijing, including the military, understands that the priority issue is economic development.

Diane Lee

¶7. (C) At the conclusion of the larger meeting, the Director saw Ou one-on-one in his private office to deliver a message from Washington concerning Legislative Yuan (LY) member Diane Lee's citizenship (ref B). The Director told Ou that Diane Lee has requested a review of her citizenship determination; the review is underway and will be completed before January 31, 2009; AIT will notify both MOFA and Diane Lee of the results of this review. Finally, the Director told Ou that the press guidance indicating "case closed" refers only to legislator Kung Wen-chi's case, not Diane Lee's. The Director stressed the importance of treating this information as confidential, and Ou fully agreed. The Director told Ou he was free to share in confidence this information with LY Speaker Wang Jin-jyng, but Ou indicated he was reluctant to do so at this juncture. He told the Director he would merely tell Wang that the U.S. side was reviewing Ms. Lee's case and would provide a formal response before January 31 (Note: January 31 is the LY and Wang's own deadline for resolving the Lee case). Once Ou has received the formal response, he would share the details with Speaker Wang. Ou sought to draw the Director out as to what the final verdict on Ms. Lee was likely to be, but the Director stressed this was up to the experts in our consular bureau to determine. Ou emphasized to the Director that he took very seriously the importance of

maintaining confidentiality in such exchanges regarding our
bilateral relations.

Comment

18. (C) FM Ou's discussion of WHA suggests the Taiwan side is
preparing to fall short of formal observer status in next
May's Geneva gathering, should this prove too ambitious a
goal from the PRC side.
SYOUNG